

From Your Commissioner of the Revenue

by Terry L. Yowell



Terry Yowell

Residential growth in the County and Town of Culpeper over the past five years has accelerated. Unfortunately, commercial development has not kept pace. This results in an unbalanced tax base. This scenario of events has presented my staff and me with the unique challenge of providing consistent high quality services with little change in staffing. Fortunately we have outstanding staff in the Office of the Commissioner of the Revenue who consistently go above and beyond in their efforts to manage the increasing workload.

In order for you to appreciate how the rapid growth in our community has affected my Office, I will share with those of you who may not be familiar, the day-to-day activities of the Commissioner's Office.

On average, our office answers approximately 40 calls per day. Our goal is to answer every call personally by the second ring, but with the growth that has occurred in this area in the past two years we can and frequently do, have as many as 400 calls per day during peak times.

The Commissioner's office has a myriad of tasks and responsibilities that must be carried out each time a new parcel of land is created, a parcel of land changes hands, a new dwelling is constructed, or a property owner changes a dwelling.

Our office is responsible for the "Land Book". This book lists all real estate land parcels with corresponding tax map numbers, owner name and address, acreage (if known), legal description, zoning and the assessed value of land and improvements as of January 1st. Any time any detail of this information changes during the year, such as a sale, a survey or a new house, that change must be processed electronically and manually by staff in our office. As shown by **Chart 1, "Land Parcels Assessed"**, many larger parcels of land were subdivided during 2002, thus creating a number of smaller lots resulting in a significant increase in the total number of parcels assessed for January 1, 2003.

We update Town and County real estate records to reflect "instruments" recorded in the Clerks office. Instruments pertaining to real estate can include deed of ownership, deed of gift, wills, certificate of takes (VDOT) foreclosures, distress sales, survey plats, etc. As you can see by **Chart 2 "Real Estate Transfers"**, recording of instruments related to real estate rose nearly 50% in 2002.

Each time a building permit or zoning permit is issued, the Commissioner of the Revenue must physically go out into the field and pick up the data from the new construction for assessment purposes. This data is entered into the real estate Computer Assisted Mass Appraisal (CAMA) system and the real estate card (paper record) is updated to reflect the change in assessed value as a result of the new construction. Many of you are already aware of the construction which has been taking place in Culpeper. As shown in **Chart 3 "Assessment of New Construction"**, our office has experienced significant increase in the work required to collect the data necessary to update the Land Book and submit the new values to the Treasurers (Town and County) for billing. Examples of new construction may include new homes, garages, barns, in-ground pools and even renovations.

We are also responsible for keeping track of parcels enrolled in Land Use as well as calculating rollback taxes when the use of the land changes to non-

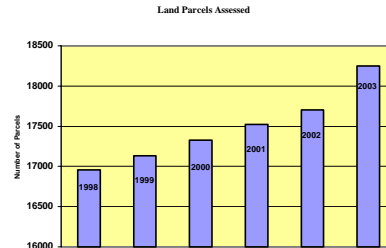
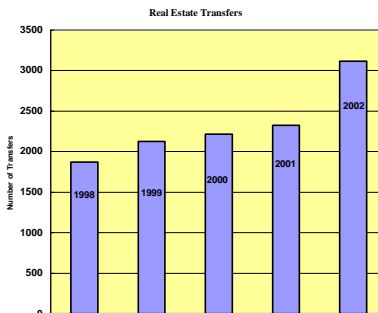


Chart 1



We are also responsible for keeping track of parcels enrolled in Land Use as well as calculating rollback taxes when the use of the land changes to non-qualifying. Culpeper County has an ordinance enacted to preserve and promote the farming industry. When enrolled in the land use program, land used for farming is valued at its "use value" as opposed to its "fair market" value. This results in farmland being taxed at a lower value per acre to reflect the use of such land. In the past two years an increasing amount of farmland has been subdivided. This results in research and the billing of the landowner for deferred taxes.

This process is referred to as rollback. This is a very time consuming process because it involves reviewing real estate records and land use applications for five previous years plus the current year in order to calculate the deferred value. Each year, on average, we work with approximately 500 applications as a result of a change. Each time there is a change in acreage, ownership, zoning or use, a new application must be generated to reflect the change and a new application fee must be collected.

We currently have over 2,300 parcels enrolled in land use. At the time of General Reassessment, all parcels must undergo revalidation of the use of the land in order to remain in the program. Any parcels not revalidated in land use by the owner, must be removed from the program and will be taxed at the fair market value. Parcels removed from the program are also subject to rollback taxes for five years.



Chart 2

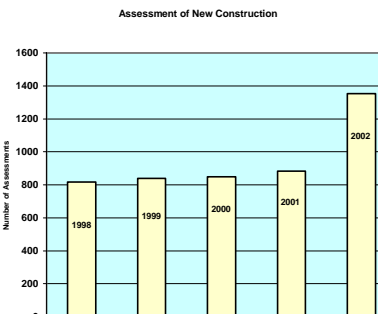


Chart 3

This article will be continued in the next issue.

Commissioner of the Revenue 540-727-3443